

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6205

BILL NUMBER: HB 1039

DATE PREPARED: Feb 6, 2001

BILL AMENDED: Feb 5, 2001

SUBJECT: Obsolete Statutes and Other School Matters.

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FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: Local

Summary of Legislation: (Amended) (1) This bill requires a governing body of a school corporation to make the school corporation's annual performance report available and publish a telephone number where by either or both of the following methods: (1) on the Internet and by mail or distribution to the parents or guardians of students attending schools operated by the school corporation; (2) by publication. It requires publication of a notice, including the telephone number where the report may be requested, regarding the availability of the annual performance report.

(2) It establishes certain requirements for the publication of the annual performance report.

(3) It requires a public meeting to discuss the report.

(4) It allows a school corporation to adopt textbooks that do not appear on the state adoption list without seeking a waiver from the Indiana State Board of Education.

(5) It repeals provisions for the following programs that have expired, have not been funded, or are not in compliance with federal law: a) Inclusion School Pilot Program; B) Teacher Quality and Professional Improvement Program; c) Compulsory Attendance Exception for Children Found Mentally or Physically Unfit for School Attendance; d) Governor's Scholars Academy; e) Innovative Education Grant Program; f) Art Education Grant Program; g) Committee on Educational Attitudes, Motivation, and Parental Involvement; h) Readiness Testing; i) Team Pilot Program Student Services; j) Early Childhood, Preschool, and Latch Key Pilot Programs; k) Anti-gang Counseling Pilot Program and Fund.

Effective Date: July 1, 2001.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) (1) As proposed by this bill, a school corporation would be required to make the school corporation's annual performance report available by either or both of the following methods: a) on the Internet and by mail or distribution to the parents or guardians of students attending schools operated by the school corporation; b) by publication. In addition, school corporations would be required to publish a notice, including the telephone number where the report may be requested, regarding the availability of the annual performance report.

The specific effects of this portion of the bill would vary by school corporation, and would depend upon local action.

OFFSETTING COSTS

Under current law, school corporations are required to publish an annual performance report in a qualified publication between September 1 and September 15 of each year. (School corporations were first required to publish such a report in 1998.)

This bill could reduce the costs of publishing an annual performance report in the local newspaper as specified by IC 20-1-21. However, expenditure savings for school corporations opting to publish a notice (instead of publishing an annual performance report) could be offset by costs associated with providing free copies of the report to interested parties in accordance with this bill. (School corporations opting to publish their annual performance reports would incur no additional costs.)

PUBLISHING COSTS

A sample of 41 school corporations responded to an inquiry from the Indiana School Boards Association about the costs of publishing the annual report in their local newspaper during 1998. The average cost for these school corporations was \$2,522, with costs ranging from a low of \$75 to a high of \$18,000.

Thirty-six of 41 school corporations indicated that they made little or no additions to the performance report before sending them to the local newspapers.

PUBLISHING BACKGROUND

The current practice for publishing annual performance reports is for the Department of Education staff to prepare all charts and explanatory texts and to store them in the Department of Education Internet site. DOE also prepares a hard copy of the report and mails them to all school corporations. School corporations are then required to add information on enrollment in the CORE 40 curriculum and vocational education and any additional explanatory text. To make these additions, school corporations either download the portable document format files off the Internet site and add information using specific software or else make the changes manually. This edited version is then forwarded to the local newspapers to be printed in the newspaper's classified section.

(2) For school corporations opting to publish an annual report in a qualified publication, the "large type and graphics section" of this bill would not result in additional cost to school corporations since the charge for publishing an enhanced report would be regulated by current state law, and would remain proportional to the number of lines of regular reading matter that would have normally occupied the same space in the

publication.

(3) School corporations would experience a minimal increase in administrative costs regarding this provision of the bill. Specific effects would vary from school corporation to school corporation, and would depend upon local action.

(4) These provisions would reduce administrative burdens to school corporations that decide to adopt textbooks not appearing on the state adoption list for textbooks. Cost savings would vary from school corporation to school corporation.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: School Corporations.

Information Sources: Bill Riley, Department of Education (317) 232-0509.